

Other
Services

Item	USOC	Wholesale "Price"
A	B	N
RES Custom Humber Services (NRC)		RNCSP
		\$30,2100

Total Residence

Other
Services

Item	USOC	Wholesale "Price"
A	B	N

BUS Remote Call Forwarding - Initial Service	RCF	\$185.100
Remote Call Forwarding - Ea addl service	RCA	\$185.100
Ans Sup-eqpd w/line side intr/c, per line -N	USWIX	\$2.2600
Ans Sup-eqpd w/line side intr/c, per line -R	USWIX	\$1.4500
Pub Emer Sys-Int'l Ans Sta-In Bs RI Area	67Y1S	\$6.7200
Pub Emer Sys-Int'l Ans Sta-Out Bs RI Area	67D1S	\$7.0400
Pub Emer Sys-Add Ans Sta-In Bs RI Area	67Y	\$0.8600
Pub Emer Sys-Add Ans Sta-Out Bs RI Area	67DAS	\$1.2200
Pub Emer Sys-Eqpt CPE Sigr-In Bs RI Area	67IM/B	\$0.0500
Pub Emer Sys-Eqpt CPE Sigr-Out Bs RI Area	67H-OB	\$0.3100
Central Ofc Term. Equip, each-NRC	PH8	\$14.8300
Central Ofc Term Equip, ea-Rec	PH8	\$7.3600
E911-AN/1000 main sta-NRC	E8X	\$152.4600
E911-AN/1000 main sta-Rec	E8X	\$26.4300
E911-Se Routing/1000 main sta-NRC	E8R	\$606.8100
E911-Se Routing/1000 main sta-Rec	E8R	\$74.1900
E911-AN, Select Routing/1000 main sta-NRC	E8T	\$606.8100
E911-AN, Select Routing/1000 main sta-Rec	E8T	\$74.1900
E911-AN, Loc ID/1000 main sta-NRC	E8V	\$1,300.9300
E911-AN, Loc ID/1000 main sta-Rec	E8V	\$92.5000
E911-AN, Loc ID, Select Ro./1000 mn sta-N	E8Z	\$1,422.8900
E911-AN, Loc ID, Select Rout/1000 mn sta-R	E8Z	\$103.6700
E911-Add one-way E911 Exch Lns-NRC	E8K	\$132.1300
E911-Add one-way E911 Exch Lns-Rec	E8K	\$91.4700
E911-AN Master Controller, each-NRC	E9S	\$7,419.3300
E911-AN Master Controller, each-Rec	E9S	\$370.9600
E911-AN Auxiliary Controller, each-NRC	E9E	\$1,854.8300
E911-AN Auxiliary Controller, each-Rec	E9E	\$94.5200
E911-AN Addl Trunk Equiprent, each-NRC	E9Y	\$509.1500
E911-AN Addl Trunk Equiprent, each-Rec	E9Y	\$28.4600
E911-AN Display and Transfer Unit ea-NRC	E9U	\$660.6200
E911-AN Display and Transfer Unit ea-Rec	E9U	\$23.3800
E911-AN Coml Power Conversion Unit-NRC	E9P	\$1,112.9000
E911-AN Coml Power Conversion Unit-Rec	E9P	\$55.9000
E911-AU Mast Cntrl-Svc Estab Chrg-with ANI-NR	E8L	\$650.4600

Other
Services

Item	USOC	Wholesale "Price"
A	B	N
E611-ALIMast Cntrl-Svc Est Chg-added to NI-NR	E8L	\$650.4600
E611-ALIMast Cntrl-Install Chg-with ANI-NRC	E8L	\$9,045.4800
E611-ALIMast Cntrl-Ms Chg-with ANI-Rec	E8L	\$452.2700
E611-ALIMast Cntrl-Install Chg-added to ANI-NR	E8L	\$9,487.5900
E611-ALIMast Cntrl-Ms Chg-added to ANI-Rec	E8L	\$452.2700
E611-ALI Auxiliary Controller, each-NRC	E8N	\$860.4500
E611-ALI Auxiliary Controller, each-Rec	E8N	\$48.7900
E611-ALIDisplay Unit, each-NRC	E8P	\$1,208.4500
E611-ALIDisplay Unit, each-Rec	E8P	\$60.9900
E611-AL Int wiring per display unit, ea-NRC	E8Q	\$90.4500
E611-AL Int wiring per display unit, ea-Rec	E8Q	\$1.0200
E611-Subseqnt Intall ChrgAN J Aux Cntrl, ea -N	E9E	\$477.6900
E911-ANI Additional Trunk Equipment-NRC	E9Y	\$550.9900
E911-AL Display and Transfer Unit-NRC	E9U	\$350.6300
E911-AL Auxiliary Controller-NRC	E8N	\$386.2100
E911 - A J - Display Unit -NRC	E8P	\$370.0600
E911-AL Interior V/Wiring -NRC	C8Q	\$355.7200
Data Access Arrange-Manual Opn-NRC	CDT00	\$20.6600
Data Access Arrange-Manual Opn-Rec	CDT00	\$7.3700
Data Access-Snd/Rec Voltage Intfc, ea-NRC	C8S	\$25.6600
Data Access-Snd/Rec Voltage Intfc, ea-Rec	C8S	\$5.9400
Data Access-Snd/Rec contact cts intfc, ea-M	C8T	\$25.6600
Data Access-Snd/Rec contact cts intfc, ea-R	C8T	\$4.7400
Data Access-Power contact cts intfc, ea -N	C8V	\$29.6600
Data Access-Power contact cts intfc, ea -R	C8V	\$1.7800
Data Access-Line current status indicator -N	C8W	\$14.8300
Data Access-Line current status indicator -R	C8W	\$1.7800
ACD-Incoming Ins for Call Dist-FX-Rec	ABEFX	\$57.5000
ACD-Incoming Ins for Call Dist-CCSA/TL-Rec	ABETL	\$76.6700
ACD - Other Lines for Intercom w/PBX	A3	\$0.0000
ACD-Type A ESS-ACD-Svc Est Chg-NRC		\$587.6300
ACD-Type A-CTRF Svc Estab Chg-NRC		\$7,910.7100
ACD-Type A-Comm Eqpt-per sys-NRC	ABA	\$255.5900
ACD-Type A-Comm Eqpt-per sys-Rec	ABA	\$19.1700
ACD-Type A-Station Term-ea-NRC	A82	\$25.5600
ACD-Type A-Station Term-ea-Rec	A82	\$7.0300

Other
Services

Item	USOC	Wholesale "Price"
A	B	K
ACD-Type A-Addl Queue Sbls-Rec	AB3RA	\$1.7300
ACD-Type A-Per station term-NRC	A6G	\$16.1700
ACD-Type A-Per station term-Rec	A6G	\$1.7300
ACD-Type A-Per split group-NRC	A9A	\$15.1700
ACD-Type A-Per split group-Rec	A9A	\$1.7300
ACD-Type A-Call Wait Indication-NRC	A66CE	\$31.9500
ACD-Type A-Call Wait Indication-Rec	A66CE	\$3.8300
ACD-Type A-Per Delay Announc -NRC	A8GCE	\$159.7400
ACD-Type A-Per Delay Announc -Rec	A8GCE	\$70.2800
ACD-Type A-Per Delay Announc Trf-NRC	A8GAT	\$95.8400
ACD-Type A-Per Delay Announc Trf-Rec	A8GAT	\$14.0600
ACD-Type A-Delay announc-per sta term-R	A8GST	\$3.2100
ACD-Type A-Silence/Music at announc-NRC	A5T	\$91.2800
ACD-Type A-Silence/Music at announc-Rec	A5T	\$7.3000
ACD-Type A-Night transfer-per split eqpt-N	A3T	\$19.1700
ACD-Type A-Night transfer-per split eqpt-R	A3T	\$2.2300
ACD-Type A-CTRF-Common Eqpt -NRC	NFB	\$377.2000
ACD-Type A-CTRF-Common Eqpt -Rec	NFB	\$206.9000
ACD-Type A-CTRF-Traffic Meas-per label-N	NFE	\$4.2600
ACD-Type A-CTRF-Per Traffic Meas Select-N	NFG	\$4.2600
ACD-Type A-CTRF-Tel Meas per In-1 printout per yr	NFP	\$27.5900
ACD-Type A-CTRF-Tel Meas per In-2 printout per yr	NFQ	\$42.6000
ACD-Type A-CTRF-Facility Assurance Rpt-N	NFK	\$3.6500
ACD-Type A-CTRF-Facility Assurance Rpt-R	NFK	\$0.3000
ACD-Type A-Chrgs-Trf Meas-NRC		\$4.2600
ACD-Type A-Chrgs-Trf Meas-Printout Im sched		\$24.3400
ACD-Type A-Chrgs-Facility Ass. Rpt-NRC		\$3.6500
ACD-Type A-Chrg-Delay Announc Rpt-NRC		\$109.5300
SDS - Access Line - 0-2 cabl miles-NRC	SDH1A	\$239.8300
SDS - Access Line - 0-2 cabl miles-Rec	SDH1A	\$36.2000
SDS - Usage - per minute and fraction		\$9.0500
URIS-Svc Addl Dbase-per download-min chrg		\$10,860.0000
URIS-Svc Addl Dbase-per lire of data		\$9.3100
CLAR-Service Establishment Charge-NRC	SEPRH	\$181.0000
CLAR-Far protected nos. - 1 to 100 nos -NRC	EL4IX	\$1.3600
CLAR-Far protected nos. - 1 to 100 nos -Rec	EL4IX	\$3.9100

Other
Services

Item	USOC	Wholesale Price
A	B	N
CLAR-Per protected numbers - 101-999 nos.-NRC	EL41X	\$1.3500
CLAR-Per protected numbers - 101-999 nos.-Rec	EL41X	\$0.7200
CLAR-Per protected numbers - 1000+ nos.-NRC	EL41X	\$1.3500
CLAR-Per protected numbers - 1000+ nos.-Rec	EL41X	\$0.5400
CLAR-Per additional alternate route plan-NRC	EWP	\$18.1000
CLAR-Per additional alternate route plan-Rec	EWP	\$13.5800
CLAR-plan chge, per no. via svc order process-N	NR9EV	\$9.0500
CLAR-activation of plan by AIT-NRC	NR9EW	\$9.0500
NSAR-Service Establishment Charge-NRC	SEPKA	\$407.2500
NSAR-Per protected numbers - 1 to 100 nos.-NRC	EN41X	\$1.3500
NSAR-Per protected numbers - 1 to 100 nos.-Rec	EN41X	\$0.9100
NSAR-Per protected numbers - 101-999 nos.-NRC	EN41X	\$1.3500
NSAR-Per protected numbers - 101-999 nos.-Rec	EN41X	\$0.7200
NSAR-Per protected numbers - 1000+ nos.-NRC	EN41X	\$1.3500
NSAR-Per protected numbers - 1000+ nos.-Rec	EN41X	\$0.5400
NSAR-Per additional alternate route plan-NRC	EQ4	\$18.1000
NSAR-Per additional alternate route plan-Rec	EQ4	\$13.5800
NSAR-plan chge, per no. via svc order proc-NRC	NR9EX	\$9.0500
NSAR-activation of plan by AIT-NRC	NR9EY	\$9.0500
Coordinated test actlv, per event, per orig exch-N	NR9EZ	\$181.0000
Back Up Link-NRC	P9P	\$4.5300
Back Up Link-Rec	P9P	\$1.6100
Back Up Link-Activation charge, per act.-NRC	NR9RT	\$43.4400
Mute Busy Key-Rec	P99	\$5.7500
Break Hunt Key-Rec	BRR	\$5.7500
Cut off and Transfer-Auto CO Cutoff-Manual-Rec	SJ8	\$0.4400
Cut off and Transfer-Auto CO Cutoff-Manual-Rec	SJ9	\$4.5700
Reserved Tel Numbers-Ea grp of one or more nos-NRC	RNCRN	\$22.6300
Reserved Tel Numbers-Ea grp of one or more nos-R	RNCRN	\$4.5300
Reserved Tel Numbers-For ea tele no reserved-Rec	R25	\$0.2300
Per Fault Protect-Single Chan-per chan-Rec	10PQ,R	\$31.6800
Per Fault Protect-Multiple Chan-Common eqpt-Re	P10PA	\$44.3500
Per Fault Protect-Multiple Chan-Analog/digital-Re	P10P+	\$14.4800
Per Fault Protect-Multiple Chan-DS1/Optinet-Re	P10PL,T	\$19.0100
SNS-Initial week per occ, 10 or less registers-NRC		\$31.6800
SNS-Initial week per occ, addl grps of 10 reg-NRC		\$9.0500

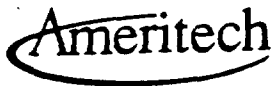
Other
Services

Item	USOC	Wholesale "Price"
A	B	N
SNS-Initl week, per occ, per register-NRC		\$22.6300
SNS-Addl Week, per occ, 10 or less registers-NRC		\$9.0500
SNS-Addl Week, per occ, per register-NRC		\$4.5300
Pckt Sw Ntwk-Exch Term-Alg Asynch-2.4 Kbps	VXDA2	\$31.6800
Pckt Sw Ntwk-Exch Term-Alg Asynch-4.8 Kbps	VXDA4	\$31.6800
Pckt Sw Ntwk-Exch Term-Alg Asynch-9.6 Kbps	VXDA9	\$31.6800
Pckt Sw Ntwk-Exch Term-Dgtl-2.4 Kbps	VXDD2	\$27.1500
Pckt Sw Ntwk-Exch Term-Dgtl-4.8 Kbps	VXDD4	\$27.1500
Pckt Sw Ntwk-Exch Term-Dgtl-9.6 Kbps	VXDD9	\$27.1500
Pckt Sw Ntwk-Exch Term-Dgtl-19.2 Kbps	VXD19	\$27.1500
Pckt Sw Ntwk-Exch Term-Dgtl-56 Kbps	VXD56	\$27.1500
Pckt Sw Ntwk-Fort Term-Asynch	LHPAF	\$22.6300
Pckt Sw Ntwk-Fort Term-X.25 Protocol-2.4 Kbps	LHT2C	\$22.6300
Pckt Sw Ntwk-Fort Term-X.25 Protocol-4.8 Kbps	LHT2D	\$22.6300
Pckt Sw Ntwk-Fort Term-X.25 Protocol-9.6 Kbps	LHT2E	\$22.6300
Pckt Sw Ntwk-Fort Term-X.25 Protocol-19.2 Kbps	LHT2F	\$22.6300
Pckt Sw Ntwk-Fort Term-X.25 Protocol-56 Kbps	LHT2G	\$22.6300
Pckt Sw Ntwk-Port Term-X.75 Protocol-2.4 Kbps	LHT7C	\$22.6300
Pckt Sw Ntwk-Port Term-X.75 Protocol-4.8 Kbps	LHT7D	\$22.6300
Pckt Sw Ntwk-Port Term-X.75 Protocol-9.6 Kbps	LHT7E	\$22.6300
Pckt Sw Ntwk-Port Term-X.75 Protocol-19.2 Kbps	LHT7F	\$22.6300
Pckt Sw Ntwk-Port Term-X.75 Protocol-56 Kbps	LHT7G	\$22.6300
Pckt Sw Ntwk-Usg-Norm Bus-Prem Acc-1/10 min		\$0.0000
Pckt Sw Ntwk-Usg-Norm Bus-Hold Time-1/10 min		\$0.0000
Pckt Sw Ntwk-Usg-Norm Bus-Fast Select-per req	HREB1	\$0.0100
Pckt Sw Ntwk-Usg-Norm Bus-Data Trans-1/10 min	HREB1	\$0.0000
Pckt Sw Ntwk-Usg-Norm Bus-ISDN VF-1/10 min	HREB1G	\$0.0000
Pckt Sw Ntwk-Usg-Norm Bus-Data Trans-Kilosegment	HREB1X	\$0.2200
Pckt Sw Ntwk-Usg-Norm Bus-ISDN VF-Kilosegment	HREB1G	\$0.0700
Pckt Sw Ntwk-Usg-Norm Bus-Trans Svc/MIN		\$0.0800
Pckt Sw Ntwk-Usg-Eve/HolWE-Hld Time-1/10 min		\$0.0000
Pckt Sw Ntwk-Usg-Eve/HolWE-Fast Select-per req	HREB1	\$0.0000
Pckt Sw Ntwk-Usg-Eve/HolWE-Data Trans-1/10 min	HREB1	\$0.0076
Pckt Sw Ntwk-Usg-Eve/HolWE-ISDN VF-1/10 min	HREB1G	\$0.0000
Pckt Sw Ntwk-Usg-Eve/HolWE-Data Trans-Kilosegment	HREB1X	\$0.1100
Pckt Sw Ntwk-Usg-Eve/HolWE-ISDN VF-Kilosegment	HREB1G	\$0.0400

Other
Services

Item	USOC	Wholesale "Price"
A	B	N
Pckt Sw Mhwk-Optl Feats-Hurt Group-NRC	LDM	\$18,1000
Pckt Sw Mhwk-Optl Feats-Hurt Group-Rec	LDM	\$2,7200
Pckt Sw Mhwk-Optl Feats-Direct Call-NRC	LJD	\$18,1000
Pckt Sw Mhwk-Optl Feats-Rev. Chg Accept-N	LD4	\$9,0500
Pckt Sw Mhwk-Optl Feats-Fast Select Acceptance	LD&FS	\$9,0600
Pckt Sw Mhwk-Optl Feats-CUG Group	LDJ	\$13,5800
Pckt Sw Mhwk-Optl Feats-CUG Group Member	LGJ	\$9,0600
Pckt Sw Mhwk-Optl Feats-Additional NUI	LOGAX	\$4,5300
Pckt Sw Mhwk-Optl Feats-Additional NTN	LDQ	\$9,0500
Pckt Sw Mhwk-Optl Feats-Permanent Virtual Circuit	LDV	\$18,1000
Pckt Sw Mhwk-Optl Feats-Cal Redirection-NRC	LKD	\$13,5800
Pckt Sw Mhwk-Optl Feats-Cal Redirection-Rec	LRD	\$0,9100
Custom Number Service (NRC)	RNCSP	\$30,8600

Total Business



444 Michigan Avenue
Room 1750
Detroit, MI 48226
Office 313-223-8033
Fax 313-496-9326

Craig A. Anderson
Counsel

October 2, 1996

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way, P.O. Box 30221
Lansing, MI 48909

Re: Case No. U-11104

***In the Matter, on the Commission's Own Motion, to Consider
Ameritech Michigan's Compliance With the Competitive Checklist
in Section 271 of the Telecommunications Act of 1996.***

Dear Ms. Wideman:

The following information is provided so that a complete and accurate record exists in this docket regarding AT&T's September 18, 1996 letter (the AT&T letter) referencing Case No. U-11104, which requested that the AT&T letter and related documents be included in the case record.

The AT&T letter expressed concern about the nature of the relationship between Ameritech Michigan and any competitive local exchange company with which it enters into an interconnection agreement in Michigan. To support this concern, AT&T has argued that Ameritech Wisconsin filed an interconnection agreement with GE Capital Communications Services Corporation (GECCS) at the Wisconsin Public Service Commission that failed to disclose a financial interest between the parties and otherwise included terms that were inconsistent with a competitive marketplace.

AT&T's allegations in the letter are not only misleading and without merit, they lack relevance to any matter at issue in this proceeding. Even if the issues in Wisconsin had anything to do with matters at issue in Michigan, the relationship between GE and Ameritech had been fully and publicly disclosed, in advance, in Ameritech's annual report. There was no failure to disclose, which appears to be the focus of AT&T's letter. For these reasons, AT&T's request for inclusion of the letter and related documents in the record of this case should be rejected.

In Wisconsin, intraLATA 1+ presubscription was scheduled by the Public Service Commission of Wisconsin (PSCW or Wisconsin Commission) to be implemented on September 1, 1996. The PSCW concluded that the implementation date could be deferred from September 1, 1996 to January 1, 1997 if Ameritech Wisconsin would file at least two interconnection agreements with the Wisconsin

Commission by August 1, 1996: one agreement with a facilities-based carrier and one with a reseller.

On August 1, Ameritech Wisconsin filed a request for deferral, based on interconnection agreements that had been reached with facilities-based carriers (MFS, Time Warner) and a reseller (GECCS). Under the terms of the Wisconsin Commission's original order permitting deferral, the Wisconsin Commission's permission was needed for the MFS and GE agreements to qualify for the deferral.

In response to Ameritech Wisconsin's August 1 filing request for deferral, the Wisconsin Commission Staff (Staff) sent a request for information to Ameritech Wisconsin inquiring, among other things, about a possible financial interest Ameritech Wisconsin had with GECCS. In particular, Staff pointed out entries in Ameritech's Annual Reports in 1994 and 1995 that state that Ameritech loaned GE Information Services (GEIS) \$472.5 million. Ameritech Wisconsin responded to the request as follows:

"Ameritech has no financial interest in GE Capital Communications Services Corporation. Ameritech has lent money to GE Information Services ("GEIS") as indicated in Ameritech's annual reports; Ameritech presently has no equity interest in GEIS or any other GE subsidiary. Ameritech exercises no control or influence over the operations of GEIS or GECCS. GECCS and GEIS are independent, wholly owned subsidiaries of GE. . . . GEIS does not provide local exchange services. GECCS is, therefore, a competitor of Ameritech Wisconsin in the provision of local exchange services." (Emphasis added)

Obviously, the Wisconsin Staff submitted the data request fully aware of the financial arrangement between GE and Ameritech Wisconsin. Contrary to the misleading implications in AT&T's letter, Ameritech Wisconsin did not try to hide such financial information, since it was included in Ameritech's Annual Reports for both 1994 and 1995.

Based on Ameritech Wisconsin's comments and the comments of all the parties, Staff supported deferral of 1+ intraLATA presubscription implementation as requested by Ameritech Wisconsin. In its comments, Staff stated it agreed with Ameritech Wisconsin's assertions that its agreement with GECCS is an arm's length transaction with a competing service provider, that GECCS and GEIS are independently managed, and that GEIS exercises no influence or control over the operations of GECCS. As a result, Staff recommended that the Wisconsin Commission approve the waiver request with respect to GECCS.

AT&T's allegation that financial information was concealed in the Wisconsin case is simply wrong. Ameritech Wisconsin completely and promptly provided all the relevant information to Staff about its financial relationship with GEIS. Staff never complained about receiving inadequate information.

Ms. Dorothy Wideman
October 2, 1996
Page 3

The allegations that are contained on page 1 of AT&T's letter are speculative, misleading, and without merit. AT&T states that:

"The attached documents imply that Ameritech may well submit agreements with companies with which it has a financial interest without disclosing the interest, may make unspoken reservations based on technical points concerning corporate legal structures within an enterprise, and may dispute the existence of equity ownership rights merely because they are contingent upon future, albeit certain, events." (Emphasis added)

AT&T has not accused Ameritech Michigan of actually doing any of these things in Michigan, but merely speculates that it may engage in such behavior. As discussed above, Ameritech Wisconsin did nothing improper in attempting to gain approval of its interconnection agreement with GECCS, as the Staff confirmed by recommending that the Wisconsin Commission approve the agreement.

Ameritech Michigan further notes that these documents have no relevance in Michigan. The carrier at issue in Wisconsin, GECCS, was a reseller, and Ameritech Wisconsin was responding to a regulatory requirement that was unique to Wisconsin. Regardless of the merits of AT&T's characterization of the circumstances or the merits of the Wisconsin Commission's conclusions, the fact remains that Ameritech Michigan has not relied on any agreement between itself and GE Capital Communications Services Corporation for any purpose whatsoever.

For the reasons discussed above, Ameritech Michigan respectfully requests that the Michigan Public Service Commission reject AT&T's request to include its letter and related documents in the record of this proceeding. Alternatively, Ameritech Michigan requests that this response be included in the record with AT&T's misleading letter so that the record is complete and accurate.

Very truly yours,



Craig A. Anderson

cc: Hon. Theodora M. Mace
All Parties of Record

CAA:jkt

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,
 to consider Ameritech Michigan's compliance
 with the competitive checklist in Section 271
 of the Telecommunications Act of 1996.

Case No. U-11104

PROOF OF SERVICE

Jane Sumner, being first duly sworn, deposes and states that on the 2nd day of October 1996, she served a copy of Ameritech Michigan's Response to AT&T's September 18, 1996 Letter upon the parties listed on the attached service list via U.S. mail.

Further, deponent sayeth not.

Jane Sumner
 JANE SUMNER

Subscribed and sworn to before me
 this 2nd day of October, 1996.

Cathleen A. Marsh

CATHLEEN A. MARSH
 Notary Public, Eaton County, MI
 My Comm. Expires Feb. 19, 1997

Acting in Ingham County

SERVICE LIST**MPSC CASE NO. U-11104**

Roderick S. Coy
 Stewart A. Binks
 Clark Hill, PLC
 200 N. Capitol Avenue, Suite 600
 Lansing, MI 48933
 Representing Teleport

David Voges
 Assistant Attorney General
 6545 Mercantile Way, Suite 15
 Lansing, MI 48911
 Representing MPSC Staff

Orjiakor N. Isiogu
 Assistant Attorney General
 Special Litigation Division
 P.O. Box 30212
 Lansing, MI 48909
 Representing Michigan Attorney
 General

Todd J. Stein
 Brooks Fiber Communications
 2855 Oak Industrial Drive, NE
 Grand Rapids, MI, 49506
 Representing Brooks Fiber

Glen A. Schmiede
 Mark J. Burzych
 Foster, Swift, Collins & Smith
 313 South Washington Square
 Lansing, MI 48933
 Representing MECA

David E. Marvin
 Fraser, Trebilcock, Davis and
 Foster, PC
 1000 Michigan National Tower
 Lansing, MI 48933
 Representing MCTA

Albert Ernst
 Dykema Gossett
 800 Michigan National Tower
 Lansing, MI 48933
 Representing MCI

Norman Witte
 115 W. Allegan
 Lansing, MI 48933
 Representing WorldCom

Harvey J. Messing
 Sherri A. Wellman
 Loomis, Ewert, Parsley,
 Davis & Gotting, PC
 232 S. Capitol Ave., Suite 1000
 Lansing, MI 48933
 Representing Climax Telephone
 Company

Richard D. Gamber, Jr.
 Michigan Consumer Federation
 115 W. Allegan, Suite 500
 Lansing, MI 48933
 Representing Michigan Consumer
 Federation

Richard P. Kowalewski
 Sprint Communications Company L.P.
 8140 Ward Parkway, 5E
 Kansas City, MO 64114
 Representing Sprint

Andrew O. Isar
 Telecommunications Resellers Assn.
 4812 92nd Ave., N.W.
 P.O. Box 2461
 Gig Harbor, WA 98335
 Representing Telecom. Resellers

Larry Salustro
AT&T Communications, Inc.
4660 S. Hagadorn Rd., 6th Fl.
East Lansing, MI 48823
Representing AT&T

Katherine E. Brown
U.S. Department of Justice
Antitrust Division
555 4th Street, N.W.
Washington, DC 20001
Representing U.S. Department
of Justice

Timothy P. Collins
Clark Hill PLC
255 S. Woodward Ave., Suite 301
Birmingham, MI 48009
Representing Continental
Telecommunications

Gayle Teicher
Federal Communications Commission
Policy Division, Common Carrier
Bureau
1919 M Street, N.W., Room 544
Washington, DC 20554
Representing FCC

#30

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the complaint of)
MCI TELECOMMUNICATIONS CORPORATION)
against AMERITECH MICHIGAN and)
GTE NORTH INCORPORATED relative)
to their not making intraLATA equal access)
available to MCI in the State of Michigan.)
_____)

Case No. U-10138

At the October 7, 1996 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. John C. Shea, Commissioner
Hon. David A. Svanda, Commissioner

ORDER ON REHEARING

On February 24, 1994, the Commission issued an order in which it determined that intraLATA dialing parity is necessary for effective competition and, therefore, is in the public interest. The Commission ordered that intraLATA dialing parity be implemented in Michigan as soon as Ameritech Michigan and GTE North Incorporated (GTE) became able to provide interLATA toll service, but no later than January 1, 1996.¹ Toward that end, the Commission found that a task force should be established to work out the procedure for enabling interexchange carriers, like MCI

¹With intraLATA dialing parity, the customer can preselect which carrier will handle intraLATA calls that are placed by dialing 1+. Without dialing parity, when a customer places an intraLATA call by dialing 1+, Ameritech Michigan or GTE carries the call.

Telecommunications Corporation (MCI) and AT&T Communications of Michigan, Inc. (AT&T), to compete fully and fairly in the intraLATA toll market. On July 19, 1994, the Commission denied petitions for rehearing and reconsideration of the February 24, 1994 order.²

On March 10, 1995, the Commission issued an order adopting the Dialing Parity Task Force plan for implementing intraLATA dialing parity. Among other things, that order required (1) implementation of intraLATA dialing parity "on a flash-cut basis"³ by January 1, 1996, (2) adoption of a firm schedule for the conversion to intraLATA dialing parity subsequent to January 1, 1996 of all Ameritech Michigan and GTE central offices that, for technical reasons, could not be converted on January 1, 1996,⁴ and (3) imposition of a 55% discount on access charges in central offices that failed to meet their respective conversion deadlines.

On November 30, 1995, Governor John Engler signed 1995 PA 216, which amended the Michigan Telecommunications Act (the Act), 1991 PA 179, MCL 484.2101 et seq.; MSA 22.1469(101) et seq. Among other things, the amendments provided a framework for the implementation of dialing parity. MCL 484.2312a and 2312b; MSA 22.1469(312a) and (312b).

²The Commission's orders were upheld by the Court of Appeals in GTE North Inc v PSC, 215 Mich App 137; 544 NW2d 678 (1996).

³Implementation on a "flash-cut basis" means that, rather than converting each individual central office to dialing parity as soon as its conversion was technically possible, Ameritech Michigan could wait until January 1, 1996 and convert all similarly situated central offices simultaneously.

⁴Recognizing that new computer software would have to be installed or switches would have to be replaced in some central offices before they could provide dialing parity, the March 10, 1995 order gave Ameritech Michigan and GTE 30 days to file schedules setting forth the precise conversion dates anticipated for each of their central offices. On April 10, 1995, Ameritech Michigan filed a schedule indicating that, of its 443 central offices, (1) 364 [or 82.17%] could be converted by January 1, 1996, (2) software problems would delay conversion of 74 others until between November 2 and December 7, 1996, and (3) the need to replace switches would delay the conversion of the remaining 5 indefinitely.

On May 2, 1996, MCI and AT&T filed a joint motion (the "Joint Motion") to compel Ameritech Michigan's compliance with the prior Commission orders in this case.⁵ Ameritech Michigan filed a response on May 9, 1996, and the Commission heard oral argument on May 23, 1996. MCI, AT&T, Ameritech Michigan, and the Commission Staff (Staff) participated.

On June 26, 1996, the Commission issued an order addressing the motion to compel. The Commission stated that the critical issue was whether Section 312b indefinitely allows Ameritech Michigan to offer dialing parity to only 10% of its customers or whether that section requires implementation of the more expansive conversion schedule set forth in prior Commission orders. Based on the wording of Section 312b, as well as the legislative history and practical effect, the Commission concluded that Ameritech Michigan must abide by the conversion schedule established by the February 24, 1994, July 19, 1994, and March 10, 1995 orders. Moreover, the Commission found no valid reason why this implementation cannot occur within 30 days. It noted that, based on the filing received on April 10, 1995 (discussed in footnote 4 on page 2 of this order), at least 364 of Ameritech Michigan's central offices could be converted immediately to dialing parity and the remaining central offices could be converted at the time and in the manner required by the Commission's previous orders in this case. Finally, the Commission rejected the request by MCI and AT&T that it increase the 55% discount on access charges for calls from central offices that are not converted according to that schedule.

On July 9, 1996, Ameritech Michigan filed a petition for rehearing, a motion to reopen the record, and a motion for a stay of the Commission's June 26, 1996 order.

⁵Because proceedings had already been initiated in Case No. U-11050 seeking GTE's compliance with the Commission's prior dialing parity orders, the motion addressed only Ameritech Michigan's compliance.

On July 15, 1996, the Staff filed a response in opposition to all three filings and AT&T filed a response in opposition to the motion for a stay. On July 30, 1996, AT&T filed responses in opposition to the other two filings, and MCI and the Attorney General filed responses in opposition to all three filings.

Petition for Rehearing

Ameritech Michigan asserts that the Commission's order includes erroneous findings and conclusions of law. It urges the Commission to reconsider its determinations based on the arguments that Ameritech Michigan offered in its May 9, 1996 response to the motion to compel and at the May 23, 1996 oral argument.

Rule 403 of the Commission's Rules of Practice and Procedure, 1992 AACSR, R 460.17403, provides that a petition for rehearing may be based on claims of error, newly discovered evidence, facts or circumstances arising after the hearing, or unintended consequences resulting from compliance with the order. A petition for rehearing is not merely another opportunity for a party to argue a position or to express disagreement with the Commission's decision. Unless a party can show the decision to be incorrect or improper because of errors, newly discovered evidence, or unintended consequences of the decision, the Commission will not grant a rehearing.

The Commission finds that the petition for rehearing fails to satisfy the standard in Rule 403 because Ameritech Michigan has only reasserted arguments previously rejected by the Commission's order.

Motion to Reopen

Ameritech Michigan notes that, in earlier evidentiary proceedings, it presented forecasts of the potential competitive and financial effects of implementing dialing parity before federal law permits

it to offer interLATA service. It now moves that the Commission reopen the record to permit it to offer evidence of the actual competitive and financial effects of offering dialing parity in the 10% of its exchanges that were opened up on January 1, 1996.

Ameritech Michigan's motion also says that the Commission's order may have been motivated by a concern that the company seeks an unfair head start by obtaining the termination of the interLATA prohibition before it implements dialing parity. It offers to work with the Staff on procedures and safeguards to ensure the implementation of dialing parity simultaneously with the effective date of its authority to offer interLATA service. It proposes to present the results of those discussions on the reopened record.

Rule 401, 1992 AACCS, R 460.17401, provides for the reopening of the record when necessary for the development of a full and complete record or when there has been a change in conditions of fact or law such that the public interest requires a reopening of the record. Ameritech Michigan does not assert that there has been a change in conditions of fact or law that requires a reopening.

The Commission is not persuaded that the motion to reopen satisfies the requirements of Rule 401. First, the issues raised by the Joint Motion to compel are legal and do not depend on how dialing parity affects Ameritech Michigan. In any event, if the company thought otherwise, it should have raised the factual issues in its response to the Joint Motion, rather than waiting until the Commission issued its order. Second, the effect of dialing parity on Ameritech Michigan and the claim of a linkage between the implementation of dialing parity and Ameritech Michigan's authority to provide interLATA service have been at issue since MCI filed the complaint that began this case. The Commission has already decided that dialing parity is in the public interest and should be implemented on a date certain regardless of whether Ameritech Michigan can provide interLATA service by then. Consequently, Ameritech Michigan's request to reopen the record is a belated